

Section Cover Page

2008-07-02

Section 00 72 14
General Conditions

This Section contains standard general conditions of contract. Do not edit this Section; use as is. If necessary, the General Conditions may be modified by Supplementary Conditions or elaborated on in Section 01 00 15 - General Requirements.

This Master Specification Section contains:

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- .2 Specification Section Text:
 - .1 Owner's Representative
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 - .4 Termination
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1. OWNER'S REPRESENTATIVE

- .1 Owner shall appoint, in writing, a representative who shall, unless Contractor is expressly advised otherwise by a duly authorized officer of the Owner, have full authority to act on behalf of and bind the Owner under the Contract.

2. CONTRACT DOCUMENTS

- .1 The Contract Documents consist of Letter of Acceptance of Contractor's bid; executed Bid and Contract Form; these General Conditions, other documents, or parts thereof, contained in Division 00 of the Specifications which have application during performance of the Contract; Divisions 01-48 of the Specifications; Drawings; Schedules; and such other documents as may be identified as Contract Documents, and including amendments thereto made in accordance with provisions of the Contract.
- .2 The Contract Documents are complementary, and what is required by any one shall be as binding as if required by all.
- .3 Owner, in the first instance, shall decide on questions arising under the Contract Documents, interpret requirements therein, and judge performance in accordance therewith.

3. ASSIGNMENT

- .1 Contractor shall not assign the Contract, in whole or in part, nor shall it sublet the Contract as a whole, without previous written consent of Owner, which consent shall be at Owner's sole discretion.

4. TERMINATION

- .1 Owner may, by giving a written notice of termination to Contractor, terminate the Contract at any time.

5. SUBCONTRACTS

- .1 Owner will recognize Contractor only. Nothing contained in the Contract Documents shall create any contractual relationship between any Subcontractor and the Owner.
- .2 Contractor agrees to bind every Subcontractor by the terms of the Contract Documents, as far as applicable to work of the subcontract.

6. GST EXCLUDED

- .1 Contract Price shall exclude federal Goods and Services Tax.

7. PROTECTION OF WORK AND PROPERTY

- .1 Contractor shall take all reasonable precautions necessary to protect the Work and Owner's property from damage during performance of the Contract and shall make good any damage to the Work or to Owner's property caused by Contractor or any of its Subcontractors.

8. CLEANING

- .1 Contractor shall keep site free from unsightly or hazardous accumulations of waste material and shall leave site in a neat and tidy condition at completion of Work.

9. HOLD HARMLESS AGREEMENT

- .1 Contractor shall indemnify and hold harmless the Owner from any and all third party claims, demands, actions or costs (including legal costs on a solicitor-client basis) for which Contractor is legally responsible, including those arising out of negligence or willful acts by Contractor or Contractor's employees or agents. This hold harmless provision shall survive the Contract.

10. INSURANCE

- .1 Without limiting its liabilities under the Contract, Contractor shall provide, maintain and pay for following minimum insurance coverages, in forms acceptable to Owner:
 - .1 Comprehensive or Commercial General Liability Insurance with limits of not less than \$1,000,000 inclusive per occurrence (annual general aggregate, if any, not less than \$2,000,000) against bodily injury, personal injury, and property damage. Following endorsements shall be included: premises, property, and operations; Contractor's protective; blanket contractual; non-owned auto; employees as additional insureds; broad form property damage; cross liability; 30 days advance notice to Owner of cancellation or material change.
 - .2 Automobile Liability Insurance on all vehicles owned, operated or licensed in Contractor's name, with limits of not less than \$1,000,000.
 - .3 Where such risks exist, Property Insurance in the form of an All Risks Builder's Risk Policy or an All Risks Installation Floater insuring not less than the full insurable value of the Work plus an appropriate value for risk of loss to Owner's property, if any, in Contractor's care, custody and control.
- .2 Contractor shall submit, prior to commencement of Work, in a form acceptable to Owner, proof that insurance coverages are in effect and meet specified conditions.

11. REGULATORY REQUIREMENTS

- .1 Contractor shall comply with all laws, ordinances, rules, regulations, orders, codes and other legally enforceable requirements applicable to the performance of the Contract.
- .2 Contractor shall apply and pay for necessary permits or licences required for execution of Work, except obtaining permanent easements or rights of servitude.
- .3 Contractor shall comply with the Occupational Health and Safety Act and regulations issued pursuant thereto.

12. DEFECTIVE WORK

- .1 Defective work is work that has been rejected by Owner as failing to conform to the Contract Documents. Contractor shall promptly correct defective work, as required to conform to the Contract Documents, with no change in Contract Price.
- .2 If, in the Owner's opinion, it is not expedient to correct defective work, Owner may deduct from the Contract Price the difference in value between the work as performed and that required by the Contract Documents, the amount of which will be determined in the first instance by the Owner.

13. CONTRACT TIME

- .1 Time and all time limits stated in the Contract Documents are of the essence of the Contract. Contractor shall perform work expeditiously and with adequate forces to complete Work of the Contract within time specified in the Contract. If specified in number of days, weeks, or months, time for completion shall commence running on date of issuance of Letter of Bid Acceptance.

14. MATERIALS AND EQUIPMENT

- .1 Unless otherwise specified, Contractor shall provide, maintain, and pay for all materials, tools, machinery, equipment, temporary facilities, controls, and conveniences, necessary for execution of the Work. Unless otherwise specified, all materials shall be new, of merchantable quality and suitable for the intended purpose.

15. PRODUCT OPTIONS AND SUBSTITUTIONS

- .1 For products specified by non-proprietary specification, select any product which meets requirements of Contract Documents, by any manufacturer.
- .2 For products specified by proprietary specification and accompanied by words indicating that substitutions will not be accepted, select any product or manufacturer named. Substitutions are not permitted.
- .3 Except where substitutions are not permitted, when a product is specified by proprietary specification, other unnamed products will be accepted, subject to such substitutions being the same generic type as, being capable of performing the same functions as, and meeting or exceeding the standards of quality and performance of the named product. Substitutions shall not require revisions to Contract Documents.
- .4 In making a substitution Contractor represents that:
 - .1 Contractor has investigated substitute product and/or manufacturer and has determined that it meets the criteria specified in 15.3,
 - .2 Contractor will make any changes to the Work necessitated by the substitution as required for the Work to be complete in all respects, and
 - .3 Contractor waives claims for additional costs and time caused by substitution which may subsequently become apparent.

16. WARRANTY

- .1 Neither the final payment, nor any provision in the Contract Documents shall relieve Contractor from responsibility for faulty materials or workmanship which appear within a period of one year from the date of acceptance of the Work, or such other periods as may be specified for parts of the Work, and Contractor shall remedy any defects due thereto and pay for any damage to other work resulting therefrom which appear within such periods.

17. CHANGES IN THE WORK

- .1 Owner may order changes in the Work. Changes shall be authorized by written order from Owner.

18. VALUATION OF CHANGES ON STIPULATED PRICE WORK

- .1 On extra work authorized by Owner, allowance for overhead and profit shall be as follows:
 - .1 For work performed by Contractor's own forces, Contractor shall be entitled to 10% for overhead on actual cost of material and labour and an additional 10% for profit on above total.
 - .2 For work performed by Subcontractors:
 - .1 each Subcontractor shall be entitled to 10% for overhead on actual cost of material and labour and an additional 10% for profit on above total, and
 - .2 Contractor shall be entitled to 5% of Subcontractors' total.
 - .3 For work performed by Sub-subcontractors:
 - .1 each Sub-subcontractor shall be entitled to 10% for overhead on actual cost of material and labour and an additional 10% for profit on above total,
 - .2 Subcontractor shall be entitled to 5% of Sub-subcontractors' total, and
 - .3 Contractor shall be entitled to 5% of above total.
- .2 If a change results in a decrease in cost, amount of credit to be given to Owner shall be amount of actual decrease, without overhead and profit.
- .3 If a change involves both extras and credits and results in an increase in cost, overhead and profit shall be allowed on increase only.

19. VALUATION OF CHANGES ON UNIT PRICE WORK

- .1 On unit price work, a change shall mean work authorized by Owner in writing which is not required by the Contract Documents and which cannot be classified as coming under any of the contract units and for which no unit price, lump sum or other basis of payment has been agreed to.
- .2 Changes shall be performed on the basis of unit prices agreed to by both Owner and Contractor, or if such agreement cannot be reached, or if deemed more appropriate by both parties, on the basis of cost plus a percentage for overhead and profit, such percentage not to exceed that specified in 18.1.

20. PAYMENT

- .1 Contractor shall submit a single application for payment upon completion and acceptance of the Work. Alternatively, if Contract Time exceeds one month, and subject to Owner's approval, applications for payment may be made monthly.
- .2 Amount claimed shall be for value of work performed and products delivered to site, at that date.
- .3 Amount payable shall be amount claimed, adjusted by Owner if necessary, less 10% holdback.
- .4 If applications for payment are made monthly, Contractor shall submit with second and any subsequent applications, Statutory Declaration, CCDC 9A-2001.
- .5 Unless the Owner is a listed tax-free Government of Alberta agency and is not subject to GST:
 - .1 the Contractor shall, on each application for payment, indicate as an amount separate from the Contract Price, the amount of GST payable by the Owner,
 - .2 and the Owner shall pay the Contractor the GST amount payable with each payment.
- .6 Final payment and release of holdback monies shall be payable provided that:
 - .1 Work has been completed, deficiencies have been corrected, and Work has been accepted by Owner,
 - .2 Builders' Lien Act (Alberta) statutory period of 45 days from date of issuance of certificate of substantial performance, or date of completion of Contract, has expired,
 - .3 no lien claims have been registered which are then outstanding, and
 - .4 Statutory Declaration, CCDC 9A-2001 and letter of clearance from Workers' Compensation Board have been submitted.

21. CLAIMS

- .1 If Contractor intends to claim any additional payment, Contractor shall give notice of its intention to Owner as soon as possible and not later than 7 days after the event giving rise to the claim first arises or Contractor first becomes aware of such event.
- .2 The parties shall make bona fide efforts to resolve a claim as soon as possible after receipt thereof. When the Owner issues a final written position on the claim, or fails to do so within a reasonable period of time, and the claim is not resolved to the satisfaction of both parties, the claim shall be considered a dispute and shall be settled in accordance with article 22.

22. DISPUTES

- .1 If a dispute of any kind arises between Owner and Contractor in connection with the Contract, the matter in dispute shall be settled in accordance with the processes identified in the document entitled "Dispute Resolution Process for Government of Alberta Construction Contracts", Appendices A, B, C, D, and E.

23. INFORMATION DISCLOSURE

- .1 All information provided by the Owner to the Contractor pursuant to the Contract and all information provided by the Contractor to the Owner pursuant to the Contract, is subject to the disclosure and protection provisions of the Freedom of Information and Protection of Privacy Act (Alberta). This Act allows any person a right of access to records in the Owner's custody or control, subject to limited and specific exceptions as set out in the Act.
- .2 Where applicable, the Contractor may identify those portions of any submission from the Contractor to the Owner which the Contractor considers confidential and what harm could reasonably be expected from disclosure. The Owner does not warrant that such identification will preclude disclosure if disclosure is determined to be required under the Act.
- .3 Prior to disclosing to the Owner any individual's personal information, the Contractor shall obtain the consent of the affected individual. Such consents shall be in writing and shall specify to whom the personal information may be disclosed and how the personal information may be used.

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